

Message Text

LIMITED OFFICIAL USE

PAGE 01 PEKING 02452 220933Z

11

ACTION EA-09

INFO OCT-01 EUR-12 ISO-00 CIAE-00 DODE-00 PM-04 H-02

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 EB-07 COME-00 TRSE-00 OMB-01 AID-05 /081 W

----- 123019

R 220630Z DEC 75

FM USLO PEKING

TO SECSTATE WASHDC 4935

INFO AMEMBASSY PRAGUE

AMCONSUL HONG KONG

LIMITED OFFICIAL USE PEKING 2452

E.O.11652: N/A

TAGS: ETRD, CH, CZ

SUBJECT: SINO-CZECH TRADE AGREEMENT FOR 1976

REF: PEKING 0146

1. AFTER LESS THAN TWO WEEKS OF NEGOTIATIONS, CHINA'S 1976 GOODS EXCHANGE AND PAYMENTS AGREEMENT WITH CZECHOSLOVAK WAS SIGNED BY VICE FOREIGN TRADE MINISTERS CHEN CHIEH AND M.BUURSA IN PEKING ON DECEMBER 9. DISCUSSIONS BEGAN WITH THE ARRIVAL OF THE CZECH TRADE DELEGATION ON NOVEMBER 24, AND THE AGREEMENT WAS SUBSEQUENTLY CONFIRMED BY AN EXCHANGE OF LETTERS ON DECEMBER 16. IT WAS THE FIRST 1976 TRADE ACCORD WHICH CHINA HAS CONCLUDED WITH AN EAST EUROPEAN COUNTRY.

2. ACCORDING TO CZECH COMMERCIAL COUNSELOR, JIRI CHLAPIK, THE AGREEMENT PROVIDES FOR \$155 MILLION (411 MILLION SWISS FRANCS) IN TOTAL TRADE INCLUDING \$80 MILLION IN CZECH EXPORTS AGAINST \$75 MILLION IN IMPORTS. THE PLANNED IMBALANCE WILL PARTIALLY REPAY A CZECH DEFICIT OF APPROXIMATELY \$9.4 MILLION

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 PEKING 02452 220933Z

(SF 25 MILLION) WHICH HAS ACCUMULATED IN RECENT

YEARS. LAST YEAR'S AGREEMENT PROVIDED FOR A SIMILAR IMBALANCE IN FAVOR OF THE CHINESE. COMMODITY COMPOSITION WILL BE SIMILAR TO LAST YEAR'S AGREEMENT, BUT A FEW NEW EXPORTS WILL BE SUPPLIED BY BOTH COUNTRIES.

3. IN DISCUSSING THIS YEAR'S AGREEMENT, CHLAPIK EXPRESSED SURPRISE AT THE EASE WITH WHICH IT HAD BEEN NEGOTIATED. HE SAID BOTH SIDES WERE WELL PREPARED AND THIS ADVANCE PLANNING HAD PREVENTED SHORTAGES IN SUPPLY WHICH MIGHT HAVE CREATED PROBLEMS. HE PRAISED CZECH VICE MINISTER BURSA AND PRC VICE MINISTER CHEN AS "MEN WHO HAD KNOWN EACH OTHER FOR A LONG TIME AND COULD THEREFORE SOLVE PROBLEMS WHICH AROSE DURING THE TALKS IN A MATTER OF MINUTES."

4. TURNING TO SINO-CZECH TRADE FOR 1975, CHLAPIK SAID THE VALUE OF ACTUAL CONTRACTS CONCLUDED HAD EXCEEDED THE ORIGINAL ESTIMATES FOR LAST YEAR'S AGREEMENT BY AT LEAST \$30 MILLION. (BASED ON FIGURES REPORTED REFTEL, THIS WOULD MEAN TOTAL VALUE OF CONTRACTS FOR 1975 OF \$166 MILLION). IN A SIMILAR MANNER, CHLAPIK SAID SOME ADDITIONAL PRODUCTS AND QUANTITIES HAD ALREADY BEEN SUGGESTED TO THE CHINESE FOR 1976 AND HE EXPECTS THE ACTUAL LEVEL OF 1976 CONTRACTS TO BE \$20-25 MILLION HIGHER THAN THE PRESENT \$155 ESTIMATED FOR THE AGREEMENT.
THAYER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DATA, TRADE AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 22 DEC 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975PEKING02452
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750443-0992
From: PEKING
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19751219/aaaaaqfs.tel
Line Count: 89
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 PEKING 146
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 12 MAY 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <12 MAY 2003 by BoyleJA>; APPROVED <07 AUG 2003 by MorefiRH>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SINO-CZECH TRADE AGREEMENT FOR 1976
TAGS: ETRD, CH, CZ
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006